



CENTRAL INTELLIGENCE AGENCY

THE PRESIDENT'S DAILY BRIEF



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18 OCTOBER 1966

~~TOP SECRET~~

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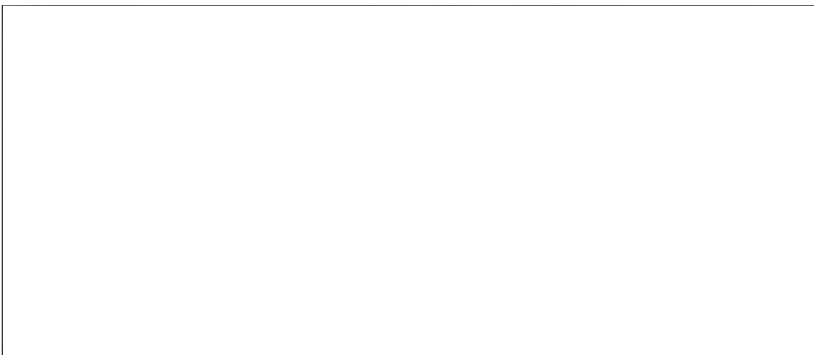
1. South Vietnam

Chief of State Thieu accepted the resignation of six dissident cabinet ministers today, but Ky still hopes to persuade some of them to reconsider.

Ky told Ambassador Lodge that he believes three of the six are interested only in advancing their political careers. Ky said he would assure the six ministers--and Economy Minister Thanh who has also offered his resignation--that he remains opposed to abuse of police power. Ky is willing to restate this position publicly if the dissidents insist.

Three of the seven protesting ministers are slated to go to Manila with Ky next Sunday. Aware of the leverage this gives them, they are unlikely to accept Ky's assurances unless accompanied by some positive indication that Ky will restrain General Loan.

2. Communist China



3. Israel-Syria

Another Israeli patrol vehicle hit a mine in the Demilitarized Zone today but no one was killed. While incidents such as this are bound to keep the Israelis and Syrians close to each other's throats, we doubt that Israel will resort to anything drastic as long as the dispute is being aired in the Security Council.

4. Soviet Union

The gathering of top East European, Cuban, and Mongolian Communists in Moscow represents a considerable tactical victory for the Soviets in their fight with the Chinese.

Attendance by the top dogs of nine ruling parties will give weight to Moscow's claim that Peking's policies have been unanimously denounced.

The meeting will almost certainly focus on Vietnam as the issue on which the Chinese are most vulnerable. The participants can be expected to come out with a strong statement in support of Hanoi's war efforts, and to decry--at least implicitly--China's refusal to cooperate.

5. India

Mrs. Gandhi along with Nasir and Tito will begin their "tripartite meeting" in Delhi on Thursday night. Ambassador Bowles says that the most striking aspect of the atmosphere just before the conclave is the lack of enthusiasm for it by all sides involved.

The fact of the matter is that the participants are facing a rather embarrassing dilemma. They cannot ballyhoo the meetings as a particularly "purposeful" affair for fear of being accused of arrogating to themselves the right to speak for the nonaligned world.

At the same time, it is extremely difficult for them to underplay the thing to any great extent without giving the impression that Tito and Nasir journeyed thousands of miles only to chat informally with Mrs. Gandhi and to see the sights of Delhi.

6. Lebanon

All Beirut banks, except the Intra Bank which precipitated the financial crisis by closing on Saturday, will re-open on Thursday with backing from the Lebanese Central Bank. Intra Bank's difficulties were precipitated by heavy withdrawals

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Lebanese financial resources are adequate to avert a national economic crisis.

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